(c) if so, what are Government's views in this regard?

THE MINISTER OF CIVIL AVIATION (SHRI SHARAD YADAV): (a) and (b) Yes, Sir.

(c) The Government is of the view that linking of release of funds with acquisition of aircraft would ensure proper utilisation of funds and permanent creation of assets for the company.

Violation of labour laws in Pawan Hans Ltd.

1224. SHRI ANIL SHARMA: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Government are aware that gross violation of statutory Labour laws is taking place in Pawan Hans Ltd., Delhi Office and in Kullu Office in Himachal Pradesh;

(b) if so, whether contractual employees who have been employed through private contractors and have put in over 8—9 years service have still not be made permanent in service;

(c) if so, the reasons therefor and the steps Government propose to take to grant them justice by making them permanent; and

(d) if so, by when and if not, the reasons therefor?

THE MINISTER OF CIVIL AVIATION (SHRI SHARAD YADAV): (a) to (d) The Pawan Hans Helicopters Limited engages contractors for certain types of works which are of purely temporary or intermittent nature. The terms and conditions of employment of the persons engaged by the contractors are decided by them.

Development of Madurai and Trichy Airports

1225. SHRI S. AGNIRAJ: Will the Minister of CIVIL AVIATION be pleased to state:

(a) what steps are being taken to modernise the airports at Trichy and Madurai which are important tourist and trade centres in the country;

(b) whether there is any plan allocation from the Ministry for this project; and

(c) if so, when it will be implemented and if not, the reasons therefor?

THE MINISTER OF CIVIL AVIATION (SHRI SHARAD YADAV): (a) Airports Authority of India (AAI) has undertaken the work of expansion and modification of existing Terminal Building for International arrivals at Trichy airport at an estimated cost of Rs. 1.52 crores.

(b) No, Sir.

(c) Does not arise.

Procurement of small planes by Indian Airlines

1226. SHRI PRAFULL GORADIA: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Government are planning to revamp the Indian Airlines;

(b) if so, the details thereof;

(c) whether there is a proposal to acquire smaller planes for domestic routes; and

(d) if so, the details thereof?

THE MINISTER OF CIVIL AVIATION (SHRI SHARAD YADAV): (a) and (b) A Committee was constituted under the chairmanship of Dr. Vijay Kelkar, to examine the reasons for losses, and develop strategies for turning around Indian Airlines. The recommendations of the Committee have been examined and following decisions taken:—

I. Government will release Rs. 325 crores as equity injection to Indian Airlines subject to the following:—

(i) Payment to be released in phases and in the form of margin money for the acquisition of aircraft.

(ii) Indian Airlines achieving milestones conveyed to Ministry of Finance on 19.12.97 as also showing improved productivity and better working results.

II. Indian Airlines will be permitted to mobilise funds from the capital market through Initial Public Offering (IPO) and/or any other modalities available for restructuring.